STATE OF RHODE ISLAND

HOUSING 2030 SMALL SCALE RENTAL PROGRAM ("Housing 2030 Small Scale")

PROGRAM DESCRIPTION

1. Program Overview	The Housing 2030 Small Scale program recognizes that many communities that may not have opportunities to develop larger housing developments still need affordable housing – and that urban communities may also have opportunities to develop smaller scale properties with infill development. Given the costs of construction and financing, the goal is to make development viable even when the development is too small for traditional low-income housing financing and to allow for a diversity of affordable rental housing models .
2. Eligible Applicants	Eligible applicants include for-profit and non-profit developers, owners of existing affordable housing developments, and Public Housing Authorities.
3. Eligible Activities	New construction, of income eligible rental units for households earning up to 120% AMI. Developments must be no fewer than 5 and no more than 30 units. At least 51% of units in any funded developments must be affordable units that are secured with a deed restriction of at least 30 years.
4. Target Population/Areas	Developments must benefit low- and moderate-income individuals and families with gross annual incomes at or below 120% of AMI adjusted for family size.
5. Program Allocation	Up to $12,000,000; Maximum $500,000 per unit. All funds may be awarded in one funding round – the State reserves the right to reallocate funds to or from this program if demand is not met.
6. Funding Type	Long term loan secured by a deed restriction.

7. Interest rate and Term	**Interest Rate:** 30-year treasury the month the loan closes **Construction period:** Funds can be initially lent during construction period with interest deferred and waived at end of construction period with units delivered at promised income levels and with monitoring in place. Construction loan can then roll over into permanent loan as described below. **Rental Development Loan Term:** The term of the loan will be a minimum of 30 years and co-terminus with the senior debt. To the extent available, principal will be repaid through 50% of surplus cash as defined in the RIHousing loan documents. Interest will accrue and be forgiven at the end of the loan if affordability is maintained and monitored, and other requirements are met.
8. Funding Priorities	• Newly created units for households earning up to 80% AMI. • Development that has or will contribute to a comprehensive neighborhood revitalization strategy, community building initiative or similar local initiative. • Proposals providing for the greatest number of affordable units at the lowest total development cost. • Proposals using panelized or modular housing or other strategies to keep total development costs down • Proposals making efficient use of available land

9. Threshold Criteria	• **Readiness to Proceed:** Owner/Developer must demonstrate ability to proceed to closing on all financing and begin construction within nine months of commitment. • **Financial Feasibility:** The development must demonstrate financial feasibility for: (i) the overall development costs of the project and (ii) the long-term operation of the proposal. • **Development Team Capacity:** The developer must have experience in the successful development and operation of affordable housing of similar scope and complexity. The Developer and their development team will be evaluated on its professional capacity to plan, build, market, and operate the proposed development.
10. Term of Affordability	A minimum of 30 years.
11. Availability of Funds	Funds will be available through a Request for Proposals issued jointly between RIEOH and RIHousing.
12. Program Leverage with Other Financial Resources	It is expected that the Housing 2030 Small Scale award will be matched with other public and private funds for the development of the proposed units.

Housing 2030 Small Scale Rental Housing Program Scoring Criteria

Point Allocation Summary

45 Points Cost Effectiveness and Financial Feasibility
24 Points General Points
6 Points Sustainable Design

75 Total Points

Total Development Cost – Up to 10 points

Project TDC per unit at or below $375,000	10 points
Project TDC per unit between $375,001 and $400,000	8 points
Project TDC per unit between $400,001 and $425,000	5 points
Project TDC per unit between $425,001 and $450,000	3 points
Project TDC per unit above $450,000	0 points

Leveraging - Up to 10 points

Needed gap funding is <25 % of TDC	10 points
Needed gap funding is < 50% of TDC	5 points
Requested funding is > 50% of TDC	0 Points

Housing 2030 Small Scale funds are last source – Up to 5 Points

Financial Feasibility – Up to 20 Points

Based upon an analysis of the factors/criteria:

- Proposed Sources & Uses
- Projects costs (construction estimates are reasonable)
- Operational feasibility
- Need for rental subsidy

**A financially infeasible project will be eliminated from consideration.*

No Concern / Feasible	Up to 20 points
Minor Concern	Up to 10 points

Moderate Concern	Up to 5 points
Infeasible / Substantial Concern	0 points

Readiness to Proceed – Up to 12 points

Fully permitted development AND specifications are at least 90% complete AND architect confirms in writing that the plans and specifications can be 100% complete within 30 days AND the application includes a signed schedule of values from the general contractor, determined by RIHousing to be consistent with current pricing, that is the basis for the funding application	12 points
Master, preliminary and final plan approval (as applicable) for a development or for a development with "by right" approval AND 50% plans and specifications consistent with the requirements of the 2026 Developer's Handbook for "Design Development" level plans.	9 points
Master, preliminary and final plan approval for a development or for a development with "by right" approval and plans that are only schematic. Points will be prorated based on approvals in place at time of application.	6 points

New Below 80% AMI Units – Up to 12 Points

100% of the units are new affordable units at or below 80% of AMI	12 points
50% of the units are new affordable units at or below 80% of AMI	8 points
25% of the units are new affordable units at or below 80% AMI	4 points
No new units at or below 80% of AMI	0 points

Sustainable Design- Up to 9 Points

Exceeds Energy Star 3.1 Version 8 for new construction OR substantial rehab that surpasses Tier II standards	2 points
Meets RNC Tier II AND most current Net Zero or Passive House standards	4 points
Incorporates solar panels or other renewables including net metering	Add up to 2 additional points based on size and amount of energy produced